Form **8830**

Department of the Treasury
Internal Revenue Service

Enhanced Oil Recovery Credit

▶ **Attach to your tax return.**

OMB No. 1545-1282

2005

Attachment
Sequence No. **78**

Name(s) shown on return | Identifying number

Part I	**Current Year Credit**		
1	Qualified enhanced oil recovery costs (see instructions)	**1**	
2	Multiply line 1 by 15% (.15)	**2**	
3	Enhanced oil recovery credits from pass-through entities:	**3**	

Line 3 detail:

If you are a—	Then enter the total of the current year credits from—
a Shareholder	Schedule K-1 (Form 1120S), Box 13, code F, G, or U
b Partner	Schedule K-1 (Form 1065), Box 15, code F, G, or U

4	**Current year credit.** Add lines 2 and 3	**4**	

Part II	**Allowable Credit** (See **Who must file Form 3800** to find out if you complete Part II or file Form 3800.)		
5	Regular tax before credits: • Individuals. Enter the amount from Form 1040, line 44 • Corporations. Enter the amount from Form 1120, Schedule J, line 3; Form 1120-A, Part I, line 1; or the amount from the applicable line of your return • Estates and trusts. Enter the sum of the amounts from Form 1041, Schedule G, lines 1a and 1b, or the amount from the applicable line of your return	**5**	
6	Alternative minimum tax: • Individuals. Enter the amount from Form 6251, line 35 • Corporations. Enter the amount from Form 4626, line 14 • Estates and trusts. Enter the amount from Form 1041, Schedule I, line 56	**6**	
7	Add lines 5 and 6	**7**	
8a	Foreign tax credit	**8a**	
b	Credits from Form 1040, lines 48 through 54	**8b**	
c	Possessions tax credit (Form 5735, line 17 or 27)	**8c**	
d	Nonconventional source fuel credit (Form 8907, line 23)	**8d**	
e	Other specified credits (see instructions)	**8e**	
f	Add lines 8a through 8e	**8f**	
9	Net income tax. Subtract line 8f from line 7. If zero, skip lines 10 through 13 and enter -0- on line 14	**9**	
10	Net regular tax. Subtract line 8f from line 5. If zero or less, enter -0-	**10**	
11	Enter 25% (.25) of the excess, if any, of line 10 over $25,000 (see instructions)	**11**	
12	Tentative minimum tax (see instructions): • Individuals. Enter the amount from Form 6251, line 33 • Corporations. Enter the amount from Form 4626, line 12 • Estates and trusts. Enter the amount from Form 1041, Schedule I, line 54	**12**	
13	Enter the greater of line 11 or line 12	**13**	
14	Subtract line 13 from line 9. If zero or less, enter -0-	**14**	
15	**Credit allowed for the current year.** Enter the **smaller** of line 4 or line 14 here and on Form 1040, line 55; Form 1120, Schedule J, line 6d; Form 1120-A, Part I, line 2; Form 1041, Schedule G, line 2c; or the applicable line of your return. If line 14 is smaller than line 4, see instructions	**15**	

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

Use Form 8830 to claim the enhanced oil recovery credit.

An owner of an operating mineral interest may claim or elect not to claim this credit any time within 3 years from the due date (excluding extensions) of its return on either its original or an amended return. This credit is part of the general business credit.

Amount of Credit

The credit generally is 15% of qualified costs for the year, but is reduced when the reference price per barrel exceeds the base value of $28 (as adjusted by inflation). For 2005, there is no reduction of the credit.

Definitions

Qualified enhanced oil recovery costs means:

1. Any amount paid or incurred during the tax year for tangible property—

a. That is an integral part of a qualified enhanced oil recovery project and

b. For which depreciation (or amortization) is allowable.

2. Any intangible drilling and development costs—

a. That are paid or incurred in connection with a qualified enhanced oil recovery project and

b. For which the taxpayer may make an election under section 263(c). For an integrated oil company, this includes intangible drilling costs required to be amortized under section 291(b).

3. Any qualified tertiary injectant expenses (as defined in section 193(b)) paid or incurred in connection with a qualified enhanced oil recovery project for